

BUFFALO ECONOMIC
RENAISSANCE CORPORATION

THE HON. BYRON W. BROWN
CHAIRMAN

Buffalo Economic Renaissance Corporation
Minutes of the Meeting of the Board of Directors
901 City Hall
September 17, 2008

1.0 Roll Call

Members Present

Kevin Brady
Mayor Brown
Donna Brown
Brian Davis
Frank Mesiah
Carolyn Murray
Adam Walters
Michael Welch

Members Absent

Clifford Bell
Steve Casey
Michael Kubala
Thomas Kucharski
Miguel Santos

Staff Present

Brian Reilly
Catherine Palko
Michelle Barron
Divitta Alexander
Wayne Kwiatkowski
Melanie Gregg
Bernadette Taylor
Talisha Thompson
Eric Gadley

2.0 Reading of the Minutes- Upon motion by Mr. Mesiah, seconded by Mr. Brady and unanimously carried the waiving of the reading and acceptance of the minutes of August 20, 2008 was approved.

3.0 Monthly Financial Report- Due to the unanticipated separation of the former Buffalo Economic Renaissance Corporation's Chief Financial Officer from the company, there is no monthly financial report to provide at this time.

Upon motion by Mr. Welch, seconded by Mr. Brady and unanimously carried the absence of the monthly financial report was approved.

4.0 President's Report

A. **Real Estate** - Mr. Reilly advised that BEREC has not executed any leases since the last report.

B. **Empire Zone** – Mr. Reilly stated that since the last board report, three (3) applications were reviewed and approved by the Empire Zone Administrative Board (ZAB), bringing the total applications pending with Empire State Development (ESD) to 25. The three recently submitted applications anticipate a combined investment of approximately \$4.8 million with job creation goals of 91 new positions over the next five (5) years. A key project that was approved by the ZAB was **Uniquist Hospitality LLC** the hotel component to the 200 Delaware renovation project.

Mr. Reilly further stated that since the last report, two (2) new Empire Zone certifications were received, bringing the total for the fiscal year to ten (10). The new certifications were for **Ellicott Lofts II, LLC** and **Webb of Buffalo, LLC**. Both projects are lofts conversions by Rocco Termini and added approximately \$23 million in investment into Downtown Buffalo.

Additionally, the ZAB approved the requests of RiverWright (ethanol facility located along the Buffalo River) and API Heat Transfer (Cheektowaga manufacturer) for regionally significant projects. The requests have been forwarded to ESD for approval.

C. **Lending** - Mr. Reilly highlighted the following:

Loans Closed in August – One (1) loan closed in the month of August, it is as follows: The Hair Firm, totaling \$25,000

Loans Approved Pending Closing

Business Name	Anticipated Closing Period
Dog Days of Buffalo	2 Months (BOA)
Environmental Specialty Contractor	1 Month
Radioactive Cycles	2 Months (BOA)
Trattoria Aroma	2 Months
Valentina Authentic Spanish Cuisine	2 Months
Benchwarmers Sports Bar	3 Months
Celerity, LLC	2 Months
Chopafellaz Unisex Salon	2 Months (BOA)
Em Tea Coffee Cup Café	1 Month
Flying Bison Brewing Company	1 Month (BOA)
Francesca’s Italian Cuisine, Inc.	3 Months (BOA)
Pellicano Meats & Produce	1 Month (BOA)

Printing Prep, Inc.

2 Months (BOA)

Active Deals with possible BEREC funding – There are eleven (11) potential deals; they are as follows: **31 Club, Francisco Imported Foods, Oliver’s Restaurant, Pano’s Restaurant, Rendezvous on Niagara, LLC, Ulrich’s Tavern, Dimples Café, Elmwood Small Animal Hospital, Maplewood Stone Products, Inc., The Design Firm and The Ink Spot** totaling \$1,395,000 with job creation goals of 48 full time equivalent positions.

D. **Business Development** - Mr. Reilly highlighted the following:

Care Area Revitalization Effort ("CARE") Program - To date, BEREC received 268 applications for participation in the CARE Program, 136 projects were awarded and 78% of awarded projects were completed.

Live Zone Program

University Sign & Storefront – Applications distributed – no projects underway.
Masten Sign & Storefront – Five (5) applications received – preparing paperwork for committee approval.

Ellicott Sign & Storefront – Prepared and received preservation board approval for two (2) new applications. Eight (8) applications received – waiting allocation agreements from BURA.

South & Connecticut Street Sign & Storefront Programs – Three (3) applications were distributed to several business owners.

Small Business Resource Centers

Apollo	Serviced 93 clients
South Buffalo	Serviced 15 clients
West Side	Serviced 43 clients

Entrepreneurial Assistance Program- The 13th session is currently underway with 26 participants enrolled. The 14th session will begin in September.

Board Members are requesting an analysis on the clients that are having issues with keeping their business alive.

Upon motion by Ms. Brown, seconded Mr. Mesiah and unanimously carried the President’s report was approved.

5.0 Action Items

- 5.1 Appointment of Catherine Palko to the Loan Committees – Submitted to the BEREC Board of Directors ("Board"), is a request to appoint Catherine Palko to the following Loan Committees: BEREC Small Business Loan Committee, BEREC Loan Review Committee and BEREC Large Business Loan Committee.

Upon motion by Mayor Brown, seconded by Ms. Brown and unanimously carried the above item was approved.

- 5.2 **BEREC Committees (Audit, Finance, Governance and Real Estate) – Informational-** Submitted to the BEREC Board of Directors ("Board"), is the proposed BEREC Audit, Finance, Governance and Real Estate Committees meeting schedule, as well as proposed charters for the audit, finance and governance committees.

Late File- Upon motion by Mr. Walters, seconded by Ms. Murray and unanimously carried the acceptance of the late file item “Beverly A. Gray Business Services Incubator Term Sheet” was approved.

- 5.3 **Beverly A. Gray Incubator Business Services Term Sheet (late file item)-** Submitted to the BEREC Board of Directors ("Board"), is a request to adopt the Term Sheet which sets forth the terms and conditions of the Operating Policy for the Beverly A. Gray Business Services Incubator and to authorize the BEREC Real Estate Committee (“Committee”) to develop, adopt, implement and enact an Operating Policy based on the Term Sheet with the flexibility to modify terms as deemed reasonable and necessary by the Committee.

Upon motion by Ms. Brown, seconded by Mr. Brady and unanimously carried the above item was approved.

6.0 Committee Reports

- 6.1 **Finance** - No meeting.
6.2 **Audit** - No meeting.
6.3 **Real Estate-** The following was highlighted: The committee is diligently working on an operating policy for the Beverly A. Gray Business Services Incubator Policy; Fera’s will be moving out of the Market Arcade building and all of the Market Arcade apartments are rented.
6.4 **Governance-** No meeting.

7.0 **Tabled Items**- There were no tabled items.

8.0 **Executive Session**- Upon motion by Ms. Brown, seconded by Mr. Walters and unanimously carried the Board moved into executive session regarding a pending litigation matter: BERC v. Downtown Buffalo Restaurants, Inc. and Calvaneso.

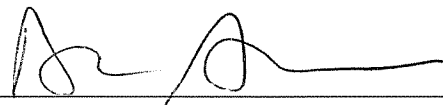
8.1 **617 Main Street Litigation**- Submitted to the BERC Board of Directors ("Board") is a request to accept the proposed strategy (the details of which were discussed and approved by the Board in Executive Session) regarding the action currently pending in New York State Supreme Court entitled BERC v. Downtown Buffalo Restaurants, Inc. and Calvaneso.

Upon motion by Ms. Brown, seconded by Mr. Mesiah and unanimously carried the Board approved the terms of the proposed strategy.

9.0 **Adjournment**- Upon motion by Ms. Brown, seconded by Mr. Walters and unanimously carried the meeting adjourned at 1:50 P.M.

Respectfully submitted,

By: 
Talisha Thompson, Recording Secretary

Approved by: 
Divitta Alexander, Corporate Secretary